

A thesis presented to Phi Mu,
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for the requirements of initiation
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Summary of the History of Washington Suburban Gas Company formerly, the Hyattsville Gas and Electric Company.

The Hyattsville Gas and Electric Company was organized by a group of Baltimore men and incorporated in 1906 by a special act of the State Legislation. Mr. Alten S. Miller who had connections with the Baltimore Gas Company planned and constructed the plant and was the company's first president.

The Company had a fair amount of success and its sales gradually increased.

Humphreys and Miller, Inc. purchased the Company in 1912 and sold it to a holding company in 1924.

The charter of the Company was very broad, carrying the right of condemnation and covered a territory having a radius of fifteen miles from the center of Hyattsville.

In 1924 the Company had no bonded indebtedness, but the right to issue bonds had been obtained.

The Company was handicapped by the World War, but it survived only to be compelled to increase the gas rate several times which caused considerable litigation.

The Company is controlled by the Public Service Commission and is at the present time owned by Stevens and Wood, a New York Firm.

History of the Washington Suburban Gas Company.

EARLY HISTORY OF GAS LIGHTING IN WASHINGTON; D. C.

One cannot help but be astonished to realize that less than eighty years ago, the not unusual span of life of one man, that the streets of Washington, D. C. were not lighted at night. The idea seems almost preposterous as one strolls along any of the streets of Washington, at a late hour, today. It is hard for anyone to comprehend the marvelous changes in present day living conditions as compared to those to which our grandfathers were accustomed. It is true, however, that some street corners were equipped with oil lamps that were pitifully insufficient, in fact, they gave absolutely no illumination and were of no help to the unfortunate person that happened to be abroad on Washington's "streets" at night. The streets of Washington were notorious and it was a lucky person that reached his destination without having fallen into a puddle of mud, or slipped and fallen into the gutter.

It is much interest in Gas lighting history to note that the "Intelligencer", a Washington paper, of May 31, 1816 tells that Mr. Benjamin Henfry had contrived to light his home and the street in the front of his house by a gas light. Also that in 1817 we find that the ballroom of the old "Davis Hotel" was "brilliantly illuminated" by gas lights.

This is the first indication of the need of better lighting in Washington. We find also that other cities were experiencing the demand for night illumination. The American people are too industrious and ambitious to be satisfied with working in the daytime; they must have light at night. But yet, the City Council of Philadelphia, in 1822, rejected an application of a company to light the streets because "the Council had no desire to encourage an innovation so dangerous, so offensive, and one likely to injure the business of candle-makers, and oil dealers."

But Washington was peculiar for its dark streets and many serious accidents resulted. From 1830 to 1842 there was not a street lamp lighted in Washington. Finally, after much agitation, the government lighted Pennsylvania Avenue.

James Crutchett, an inventor, had produced a gas from oil, known as "solar gas" from a plant on the capitol grounds and had succeeded in lighting the grounds and placing a light fifty feet above the center of the capitol building.

On July 8, 1848 a gas company which had bought Crutchett's rights was chartered, and by using the government pipe line on Pennsylvania Avenue, they contracted to light the capitol, Pennsylvania Avenue, and the President's house with gas at \$8.00 per 1000 cu. ft. This was a government contract and as yet the city of Washington had done nothing to light its streets, for it had spent all its money in planting trees.

Finally the city did install some lights, but these were lighted only on moonless nights and when used were turned off at midnight.

The above is the beginning of lighting by gas. By the beginning of the twentieth century conditions were revolutionized in large cities and small towns were commencing to find the need of more illumination at night. This situation was recognized by business men who saw an opportunity to supply the need of the people and at the same time, establish a profitable business for themselves.

PLANS FOR ORGANIZATION OF HYATTSVILLE GAS AND ELECTRIC COMPANY.

There was a group of men in Baltimore, Maryland, headed by Mr. Thomas Hayward of the Bartlett-Hayward Company, of New York, who saw an opportunity to organize a company to build a gas plant and produce gas to supply the town of Hyattsville and its vicinity. The town of Hyattsville was within a mile of Washington, D. C. and the residents were of a class that wanted modern conveniences and lighting.

INCORPORATION OF GAS COMPANY BY ACT OF LEGISLATURE.

Alten S. Miller, vice-president of the Bartlett-Hayward Company of New York City, was put in charge of the affairs who with the aid of Thomas J. Hayward and N. P. Bond managed to draw up a special act of incorporation and have it passed by the Maryland State Legislature on March 23, 1906.

PROVISIONS OF ACT

The act incorporated the Hyattsville Gas and Electric Company and named Wallace A. Bartlett, C. A. M. Wells, Wm. A. Guesta, Perry H. Veitch, Thomas J. Hayward, and Alten S. Miller as a corporate body entitled to the rights of a corporation, such as, to operate and hold property: to have a

capital stock of five hundred shares with a par value of one hundred dollars each; with the right to increase the same by the proper procedure; that the Company could manufacture gas and electricity within a radius of fifteen miles of the center of Hyattsville, but they could not sell electricity until one year after the sale of gas amounted to ten million cubic feet per annum; that the Company should have the right of eminent domain and condemnation for its corporate purposes; that the Company could borrow money and issue bonds; and the act was to take effect from the day of passage. The Act in full is recorded in the Laws of Maryland, 1906, chapter 160 and is given in full on the next page.

By the conditions of the Act a board of directors was elected in due time.

The next step was to obtain a franchise from the town of Hyattsville to build and operate a gas plant within its limits. The people of Hyattsville were more than willing to grant permission and a special meeting was held. At this special election on May 19, 1906 the Mayor and Common Council enacted an ordinance authorizing and empowering the Hyattsville Gas and Electric Company to construct its gas plant and lay its mains for the distribution of gas. The franchise further stipulated a gas rate not to exceed \$1.50 per 1000 cubic feet.



THE FIRST GAS HOLDER

AN ACT

to incorporate the

HYATTSVILLE GAS AND ELECTRIC COMPANY.

Sec. 1. Be it enacted by the General Assembly of Maryland that Wallace A. Bartlett, C. A. M. Wells, Wm. A. Guesta, Percy H. Veitch, T. J. Hayward, A. S. Miller, and their associate successors and assigns be and they are hereby created and made a body corporate by the name and style of the electric HYATTSVILLE GAS & ELECTRIC COMPANY, and by that name shall have perpetual succession.

Sec. 2. AND BE IT ENACTED, That said Company, by that name, shall be capable in law to sue and to be sued, to make and use a common seal, and alter the same at pleasure; to acquire by purchase or otherwise, and to hold, use and dispose of or deal with in any manner, not inconsistent with law, any property, real or personal, whether situated in or out of this state, which may be deemed necessary or desirable to enable said Company to carry out any of its operations, or fulfill any of the purposes named in this Act, and generally to do any other act or thing which may be deemed necessary or desirable to promote the purposes for which said Company is formed.

Sec. 3. AND BE IT ENACTED, That the Capital Stock of said Company shall consist of five hundred shares, of the par value of one hundred dollars each, with the right at any time to increase the same in the manner now provided by the General Incorporation Laws of the State; and the above named incorporations, or a majority of them, shall have power to open books for subscriptions to said stock at such time and place as they may deem expedient, and when ten of said shares have been subscribed to and twenty-five per cent of the par value thereof has been paid in cash to said incorporators, the subscribers to said capital stock shall meet and by a majority vote shall elect five directors to serve until the next ensuing election or until their successors have been duly elected; and when said directors have been so elected they shall proceed to elect officers, and shall thereupon have and exercise, in the name and on behalf of the Company, all the rights, powers and privileges granted to the Company, by this Act.

Sec. 4. AND BE IT ENACTED, That within fifteen miles of the center of Hyattsville, Prince George County, Maryland, the said Hyattsville Gas & Electric Company shall have full power and authority to manufacture, distribute, supply, sell or otherwise dispose of electricity for the purpose of illumination, heat or power and for the transaction of any business in which electricity, over or through wires, may be supplied to any useful purposes, and within said limits the said Company shall have the power and it is hereby authorized to construct, lay, erect, maintain and operate, under, on or above the ground, wires, poles, conduits, tubes, pipes and other works and appliances which may be desired or required by said Company for said purposes or any of them and to this end to use land, rights of way or franchises owned, controlled or acquired by it and the public highways of Prince George and Montgomery Counties, provided, however, that the said Company shall not be authorized or empowered to exercise the franchises to sell or otherwise dispose of electricity until one year after it shall have constructed a plant for the manufacture and sale of gas capable of making ten million cubic feet per annum.

Sec. 5. AND BE IT ENACTED, That within a radius of fifteen miles of the center of Hyattsville, Prince George County, Maryland, the said Hyattsville Gas & Electric Company shall have full power to manufacture, distribute, supply, sell or otherwise dispose of gas for illumination, heat, power or other purposes and for the transaction of any business in which gas or its by-products may be applied to any useful purpose, and within said territorial limits said Company shall have the power and it is hereby authorized to construct, lay, maintain and operate, under, on or above the ground, conduits, tubes, pipes and other works and appliances which may be desired or required by said company for said purposes or any of them and to this end to use land, rights of way or franchises owned, controlled or acquired by it and the public highways of Prince George and Montgomery Counties, provided, however, that the use by the said company of

the public highways of Prince George and Montgomery Counties shall be under such regulations as to maintenance and repairs as the Boards of County Commissioners of Prince George and Montgomery Counties or other Boards having charge and control of the public highways of said counties shall prescribe.

Sec. 6. AND BE IT ENACTED, That the said company shall have the power to borrow money for its corporate purposes, and to issue its bonds therefor and to secure the same by mortgages or deeds of trust on any part or all of its property and franchises; and said company shall possess all the powers and be subject to all the restrictions conferred on or provided for gas and electric companies formed under and by virtue of the General Incorporation Laws of the State of Maryland, except in so far as said powers and restrictions may be inconsistent with the provisions of this Act.

Sec. 7. AND BE IT ENACTED, That in case the said company can not agree with the owner or owners or other persons interested in any land, easement, or rights which the said corporation may have the power to acquire for its corporate purposes, as aforesaid, or if such owner or owners or other persons interested, as aforesaid, or any of them, be femme covert, without power to contract with relation to said property, or under age, or non compos mentus, or under any other legal disability, or be absent from the county when the same may be needed, the said company may proceed to condemn and acquire the same in the manner provided for in Section 248 to Section 254, both inclusive, of Article 23 of the Code of Public General Laws of the State of Maryland.

Sec. 8. AND BE IT ENACTED, That this Act shall take effect from the date of its passage.

OFFICERS ELECTED AND STOCK SOLD.

Alten S. Miller was elected president of the Company and Thomas Hayward was chosen to be Secretary-Treasurer.

Stock in the Company was offered for sale and sold to people in Baltimore. A quantity of stock was sold but it was evident that more money would be needed to buy the necessary equipment for the manufacture of gas. It was, therefore, decided to increase the capitalization of the Company by the board of directors and at an early meeting of the stockholders on November 6, 1906 at which every stockholder voted and it was unanimously decided to increase the capital stock from 500 shares to 1000 shares at \$100 each, The proper notice was sent out making known the increasing of the authorized capital of the Company from \$50,000 to \$100,000.

Since the company was in reality an enterprise instigated by the Bartlett-Hayward Company of New York, it had no paid offices as president, treasurer, and so forth, therefore, no money was spent for salaries. By 1910 there were but thirteen stockholders in the Company all of whom were residents of Baltimore.

DESIGN OF PLANT

The planning of the operation of the Company and the design of the manufacturing plant was done by T. J. Hayward, N. P. Bond, and A. S. Miller,. In fact it was really these three men who accomplished all the engineering, legal and commercial service, design of plant, and the passage of the special act to incorporate the Company.

Since ~~the~~ A. S. Miller had been connected with the Consolidated Gas, Electric Light and Power Company of Baltimore their purchasing agent bought the necessary materials and supplies at the same prices paid by his company. Also they bought some apparatus for the plant that had been previously used for a short time in other plants and tho as good as new cost very much less.

The Company purchased eight acres of land on the north side of Hyattsville on some low land near the B.&O railroad spur. The largest stock holder of the company contracted for the construction of the plant. While the plant was being built customers for the gas were solicited by the house to house method and by the time the company was ready to distribute gas about 800 customers had been obtained.

CONSTRUCTION OF PLANT AND OFFICE.

The plant was designed and equipped to manufacture coal gas or producer gas by means of four benches of six retorts, each fixed at half depth; that is, fired from one side only by negro stokers. The gas was taken from the retorts to the purifier and then stored in the holder to await consumption.

A small office was kept on Roger's Row, in Hyattsville, for local business, the Company was represented also in Baltimore but had its main business and executive office in New York City.



THE PLANT AS IT IS TODAY

By the terms of the franchise the rate charged for the gas was \$1.50 per 1000 cu. ft., but the Hyattsville pumping station obtained gas for \$.90 per 1000 cu. ft. on a consumption of 100,000 cu. ft. per month. The Company did not require deposits from its customers and the first rate remained in effect for many years.

OPERATION OF GAS PLANT.

Gas was now being produced at Hyattsville and mains were laid for the distribution of the gas wherever there were sufficient users to warrant the expense.

PROGRESS OF THE COMPANY.

The most difficult part of the initiating of the enterprise had been overcome and the Company had but to develop its natural growth in accordance with economic laws. The first epoch in the history of the Company was passed.

PUBLIC SERVICE COMMISSION.

It is interesting to note that at the incorporation of the Hyattsville Gas and Electric Company there was in existence no public body whose duty it would be to overlook and check all public utilities in the state in behalf of the people. In 1910, however, such a body was organized to be known as the Public Service Commission of Maryland. This body materially affected the activities of the Gas Company.



SOUTH END OF ENGINE ROOM

The first work of the Commission was to obtain complete knowledge of all existing public utilities in the state. Thereafter, all affairs of each utility were to be reported to the commission and it was to act as mediator in all disputes of the utility with the consumers and also to have power to authorize any changes in the management or finances of a utility. Since this is true, we have but to look in the records of the Public Service Commission in order to obtain a complete and up to date history of each public Utility Company in the state. With this in mind I have perused the Commissioner's files to obtain an authentic outline of the history of the Washington Suburban Gas Company, formerly known as the Hyattsville Gas and Electric Company.

I have already outlined the early beginnings of the Company and its original incorporation and their work in financing, designing, and constructing the plant for the manufacture of gas.

GAS COMPANY'S REPORT TO THE PUBLIC SERVICE COMMISSION.

The first report of the Gas Company to the Public Service Commission was in the form of a resume of the first few years of its existence. This report was conclusive up to and including the month of June 1911. We find in this report that 860 shares of capital stock had been sold for cash at par value and that all but ~~600~~⁴⁰⁰ had been invested in physical property. The chief engineer of the Public Service Commission reported that the plant was substantial, well constructed, and efficiently and economically operated; that the gas was of

good quality and that the consumption had increased steadily. We also learned that no money had been spent for salaries of the Company's officers, dividends, or fees, but that all earnings had been applied to the extension and improvement of the Company's property. The financial reports showed that the Company had issued no bonds, but that it still owed \$53,000 to stockholders who advanced the money for construction purposes. The net income to the Company through the year 1910 is \$15698.50. It was not until 1910 that the net income approached a fair income upon the capital when it amounted to \$8,263.49 for that year. We noticed, however, that no allowance was made for depreciation or officer's salaries in their report. The value of the physical property, at this time, was estimated at \$150,000 which included the expenditure of four years and the investment of the stockholders amounting to \$100,000. The report also showed that the Company was not distributing any electricity but confining its efforts to the manufacture of gas.

A tabulation of the report is as follows for 1910:

Capital Stock.....	\$86,000
Floating debt and bills payable, July 31, 1909...	\$52,000
Bonded indebtedness.....	\$00,000.00

A report for each year of its existence through 1910:

Year	Gas made in cu. ft.	Gas sold in cu. ft.	Net income
Last five months of 1907	2252,100	1,970,400	- \$241.00
1908	10,229,100	9,670,800	2,749.05
1909	14,706,400	13,963,500	4,882.10
1910	18,599,900	17,624,800	8,263.49
		Net total	\$15,698.50

This report showed a rapid increase in net income for

each year and steady growth in business. Officials of the Company were making every effort to improve the Company and to enlarge the plant so as to give better service.

FIRST RATE COMPLAINT.

The franchise given by the town of Hyattsville to the Company stated a gas rate of \$1.50 per 1000 cu. ft. but it was known to consumers in Hyattsville and vicinity that the rate on gas in Washington, D. C. was \$1.00 per 1000 cu. ft. and the rate in Baltimore, Maryland was \$1.00 per 100 cu.ft. with a 10% reduction for prompt payment. This caused some dissatisfaction and the Mayor and Common Council of Mt. Ranier, Md. and others filed a formal complaint with the Public Service Commission on March 30, 1911 to determine whether the present rate was too high and also to determine what would be a fair and just rate to charge. The Gas Company was represented in the case by John Semmes, a lawyer who acted as executor of John Hayward and took care of the Bartlett-Hayward interest. He explained to the Public Service Commission that the Company was young, operated in a sparsely settled territory, and that cost of mains, and other supplies were more than in the city. He showed that the Company had plans for a new gas holder, new pipes, and additional apparatus which,



PRESSURE PUMPS

when obtained would lower the cost. He emphasized that the Company paid no salaries to its officers nor allowed for depreciation. The Public Service Commission reviewed the case on November 8, 1911 and dismissed the case by stating that it would not be just or proper at this time to require the gas Company to reduce its rate. It is to be noted that the consumers made no complaint of the quality of the gas or service. GAS COMPANY IS SOLD TO HUMPHREYS AND MILLER, INC.

Shortly after this trouble, the Gas Company was purchased by a firm known as Humphreys and Miller, Inc. who took the Company's note for \$58,000 on January 2, 1912. At this time the Company had 1200 customers, twenty miles of gas main and their net earnings were about \$15,000 per year. The Company was making about fourteen million cubic feet of gas per year which carbonized about 1200 tons of coal. The Company, in 1913, put out 32,000 gallons of tar and had 42,000 bushels of coke for sale. The Company was experiencing a constant growth in all departments and was, no doubt, a good investment. However, the Company had accumulated a debt by 1915 of \$65,000 in the form of a note from the Bartlett-Hayward Company of \$3,000, one from the First National Bank of Hyattsville due on June 1, 1915 of \$4,000 and the note of \$58,000 payable on demand to Humphreys and Miller, Inc. The investment in the plant was \$177,613.34 and on March 15, 1915 the property was valued at \$266,532. The Company had declared a 9% cash dividend on May 1, 1914 and this was the only year that the Company did not show a surplus of from \$2,000 to \$9,000 instead there was

a deficit of \$1,446.86.

GAS COMPANY OBTAINED PERMISSION TO ISSUE BONDS.

The Gas Company recognized its position and filed a petition with the Public Service Commission on March 16, 1915 asking for authority to issue \$101,000 of its first mortgage bonds at 6% to refund its obligations, the capitalization of its earnings used in the acquisition of property and for other capital purposes. The Company stated that they did not want to sell the bonds at once, nor to acquire more property. The Company report showed that the additions to the fixed capital between January 1, 1912 and February 28, 1915 amounted to \$19,507.24.

The order of the application was published in the Hyattsville "Independent" on April 3, and April 10, 1915.

The Public Service Commission reviewed the application and on July 28, 1915 authorized the Hyattsville Gas and Electric Company to issue first mortgage bonds at 6%, not exceeding \$87,000 to pay bills of \$65,000 and to pay \$21,749.07 to the stockholders for expended earnings. The remaining money was to be put into the plant.

PROGRESS OF COMPANY DURING AND AFTER THE WORLD WAR.

The World War broke in on the activities of the Gas Company and materially affected its operation, although the management tried to carry on at the old rate of charge. The Company reached the highest peak of its earning in 1916 when the net was \$15,500. The number of customers had increased and several more miles of main had been laid. In January 1917

the Company had declared a 9% dividend to the stockholders.

During the war and subsequently the Company's service was below standard and an increasing cost of materials and labor was noticed. In fact, the Company suffered losses in 1918, 1919, and 1920 amounting to \$19,004.08. The Company had not paid the stockholders a cent since January 30, 1917 and it was apparent that it was operating at a loss.

FIRST RATE INCREASE

These conditions caused the management of the Gas Company to increase the price of gas and the new rate was filed to become effective August 1, 1919. But even this new rate did not remedy the condition, and in the year ending June 30, 1920 the Company failed to earn its operating expenses, and stated that the increased cost of coal, labor, and freight would serve to further the deficit at the old rate. Accordingly, on August 31, 1920 the Gas Company filed with the Public Service Commission a rate schedule to become effective on October 1, 1920 increasing the rate to \$2.00 per cu. ft. for the first 1000 cu. ft. and \$1.75 per 600 cu. ft. for all gas in excess of 1000 cu. ft; there was also included a "readiness to serve" charge of fifty cents per month for each meter.

SECOND RATE WAR

The people of Hyattsville and the vicinity learned of the proposed rate and on October 13, 1920 filed a formal complaint with the Public Service Commission against the new schedule. General hearings were held in Baltimore and at Mr. Ranier and

the Public Service Commission employed a gas engineer from the Bureau of Standards to study and investigate the conditions of the plant.

Mr. Alten S. Miller, the president of the Gas Company, was out of town during these discussions so the work was handled by Robert O. Luqueer, the secretary-treasurer, from the New York office, Mr. Luqueer put the Company's case before the Public Service Commission. The objection to the new rate schedul seemed to be the "readiness to serve" charge but the Public Service Commission showed that it was an authentic practice and one favored by other state Commissions.

The Public Service Commission found that the Company's finances were in good order, that maximum economy was practiced and that the quality and service of the gas was good. Therefore, the Public Service Commission issued an order on May 16, 1920 to remain in effect for a period of two years, to become effective on June 1, 1921, that the maximum rate was to be \$1.85 per 1000 cu. ft. for the first 10,000 cu. ft. and \$1.60 per 1000 cu. ft. for all gas in excess of 10,000 cu. ft. also there was added a service charge of fifty cents per meter.

DISSATISFACTION WITH PUBLIC SERVICE COMMISSION'S ORDER.

The people, however, were not satisfied and believed that the gas Company was not operating to charge the least rate. A complaint was filed by the Mayor and Common Council of Hyattsville against the Gas Company on April 10, 1922 to require an appraisal of values of the Company's property.

An order was issued on September 22, 1922 showing the Company to have 1700 consumers, to be manufacturing 40,000 M cu. ft. of gas per year, and the total physical property was valued at \$233,051.00.

A tabulation of facts concerning the Company is as follows:

No. of Consumers	1912 to 1921	1200 to 1700
Miles of pipe	1912 to 1921	20 to 26
Mas made	1908 to 1921	10 to 43 million cu. ft.
Coal carbonized	1908 to 1921	1000 to 4300 tons
Tar made	1913 to 1920	32,000 to 50,000 gal.
Coke for sale	1913 to 1921	\$0.0 to \$15,500
Net earning	1907 to 1916	\$15,500 to \$3,500
	1916 to 1921	

The records of the Company show there was a decrease in earnings and that there was constant trouble concerning the price of gas with the community organizations in the sections served.

In 1922 the Company had 1914 customers in Hyattsville, Mt. Ranier, Riverdale, College Park, and contiguous territory on the boundary of the District of Columbia. It had 27.2 miles of main and in 1923 the amount of gas sold was approximately 45 million cu. ft. The profits in 1922, because of the unusual conditions, were slightly above \$9,000. At this time, the Company had great difficulty in securing capital for extensions, so an increase of business was not encouraged. The Company felt the need of plant additions and a new holder which would increase business and income.

HUMPHREYS AND MILLER, INC. SELL COMPANY TO SCRANTON FIRM.

Mr. Alten S. Miller was not satisfied and to quote his

own words, "I sold my interest because the Public Service Commission of Maryland ordered an unremunerative selling price for gas and as a result it was not possible to sell bonds or stock on the property. I accepted an offer of a holding Company to purchase the property and when I sold I resigned as president and ^{the} other officers with me." He further stated, "Politicians tried to make capital out of the Company's form of rate and the Public Service Commission set a rate that did not return 3% on the value of the property. I was not in a position to go into extended litigation and, therefore, sold out at a very substantial sacrifice."

Thus we find that the Gas Company had no bonded indebtedness in 1924 though the right to issue bonds had been obtained.

Jermyn and White of Scranton bought the Company and in November 1924 took its note for \$167,718. This firm set about to increase the value of the Company; and they mortgaged the Company to the extent of \$277,000 at 6½% due in 1948 with the Pennsylvania Company for Insurance of Lives and Granting Annuities on February 1, 1925. They next filed a petition with the Public Service Commission on March 5, 1925. for authorization to issue \$277,000, principal amount of its first mortgage 6½% bonds. The order was issued March 17, 1925 granting permission, but that at the end of each six months the Company must file a report with the Public Service Commission showing to what used the money was being spent.

GAS COMPANY AGAIN SOLD.

On March 17, 1925 the application of the Eastern States Public Utilities Company was received and permission was granted by the Public Service Commission for it to acquire the capital stock of \$86,000 for 2580 shares of the capital stock also to acquire the first mortgage of \$277,000 on the Company.

IMPROVEMENTS MADE IN GAS COMPANY'S PLANT.

The new owners set about to enlarge the Gas plant and the first step was to buy a new gas holder. A 500,000 cu. ft. holder was bought and installed for \$52,000.

The next step was to modernize the method of manufacture of gas since the process being used was clumsy and there was little control over the quality of the gas. Machinery was installed to make carburetted water gas by the "cracking" of oil. This plant required less ground area, less capital expenditure for materials as coal. The carburetted water gas is more flexible as to output and heating value and the plant could be shut down or started in a few hours.

NAME OF GAS COMPANY CHANGED.

A meeting of the board of directors was held on April 30, 1927 and an amendment was passed to change the name of the Gas Company to the "Washington Suburban Gas Company."

COMPANY IS AGAIN SOLD.

The Gas plant had been greatly improved and, since the present owners were of a speculative nature, they sold

the Company at a large gain.

On July 6, 1927 the Public Service Commission issued an order to allow the Pennsylvania Gas and Electric Company to buy the Company for \$373,000 in cash and authority to acquire the \$277,000 bond for \$127,000 in cash and a note for \$150,000.

The new owner held a banquet in Hyattsville and invited the town politicians and promised them a better and cheaper gas, also to remove the so thought obnoxious service charge.

The new rate was put into effect, but it was soon apparent that gas was costing the people more than before. The Mayor and Common Council filed a petition with the Public Service Council and on May 31, 1928 it issued an order to bring back the old rate.

The present owners completed the work of remodeling the plant and built a siding up to the coal bunker.

The Company is thoroughly modernized and efficient; it is backed by Stevens and Wood of New York City, which is a holding Company and controls the Pennsylvania Gas and Electric Company.



HYATTSVILLE OFFICE

The material for this paper was obtained principally from the Public Service Commission of the State of Maryland; also from the records of the Gas Company; by letters from Mr. Alten S. Miller, former president of the Company; letters from Mr. Robert Luqueer, former Secretary-Treasurer of the Company. I also had interviews with Mr. Leonard, the present manager and Mr. MacFarland, an employee. Some matter was obtained from the "Hyattsville Independent" and the "Intelligences", an early Washington newspaper.



Control ROOM